

[20 March, 2001]

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who had acquired assets during pre-zero period, i.e. on or before 8th July, 1947 is also covered by general permission to keep his earnings abroad without Reserve Bank of India permission. Also, resident Indian receiving gift or inheritance from persons having general permission, are allowed to keep their balances etc. abroad without permission from Reserve Bank of India.

(c) Since, the persons having general permission are exempted from reporting of assets held abroad by them to Reserve Bank of India, information about the deposits held abroad by them is not available.

(d) and (e) Residents enjoying general permission to keep assets abroad as stated above have an option to bring the proceeds of assets to India and keep in Resident Foreign Currency accounts with banks in India.

(f) Not applicable.

**Income Tax raids on pharmaceutical companies**

2633. SHRI KHAN GHUFRANZAHI: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that Income Tax Authorities raided the officers and premises of some pharmaceutical companies recently;
- (b) whether it is also a fact that huge unaccounted money was recovered during the raids;
- (c) if so, what are names of companies raided; and
- (d) the action taken against the offenders?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRIGINGEE N. RAMACHANDRAN): (a) to (d) Yes, Sir. Income Tax Authorities of the Mumbai region conducted search action on two pharmaceutical companies viz. Cipla and Wockhardt on 19.9.2000 and on subsequent dates. There has been a recovery of cash and jewellery of Rs. 22.48 lakhs in the case of Cipla and Rs. 87.08 lakhs in the case of Wockhardt. Proceedings under chapter XIV B of the Income Tax Act, 1961 have been initiated for assessment of the undisclosed income.

**Income Tax evasion cases**

2634. SHRI RAMDAS AGARWAL: Will the Minister of FINANCE be pleased to state:

- (a) what are the top ten companies in the country against whom Income-tax evasion cases of more than 500 crores of rupees or so are pending till 31st March, 2000 as on date;
- (b) if so, what are the details of evasion in each of the case; and
- (c) what action has been taken by Government to recover money or penalise these companies?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN):** (a) There is no company in whose case penalty for concealment of income of Rs. 500 crore or so has been levied during the Financial Years 1998-1999, 1999-2000 or 2000-2001 (till 31.1.2001).

(b) and (c) Does not arise.

#### **LIC's schemes for rural customers**

**2635. SHRI S. S.AHLUWALIA:** Will the Minister of FINANCE be pleased to state:

- (a) whether ratio of life insurance coverage-to-population as well as that of insurance premium-to-GDP in India is one of the lowest in the world;
- (b) if so, the comparative details with other countries;
- (c) the findings of any survey/study conducted to ascertain potentials of life insurance coverages in India during the current decade;
- (d) whether rural India has been yielding larger premium deposits to LIC than the urban areas;
- (e) if so, the steps taken/contemplated by LIC to strengthen its network in rural areas; and
- (f) whether LIC have evolved any product exclusively for benefit of rural customers?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHEPATIL):** (a) and (b) The Life Insurance Corporation of India (LIC) have intimated that the ratio of life insurance coverage in India works to 24.06% of the estimated total insurable population as on 31.3.2000. The ratio of life insurance premium to GDP is 1.39%. The comparative position of India vis-a-vis other countries is given in the statement (See below).